

**MINUTES OF THE REGULAR MEETING OF THE  
WASHINGTON STATE TRANSPORTATION COMMISSION  
November 14 & 15, 2001**

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on November 14, 2001, in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present were: Ed Barnes, Aubrey Davis, Elmira Forner, George Kargianis, A. Michèle Maher and Connie Niva.

**APPROVAL OF MINUTES**

*It was moved by Commissioner Davis, and seconded by Commissioner Maher, to approve the minutes of the October 18, 2001 Commission meeting. The motion was approved unanimously.*

**APPROVAL OF DRAFT WASHINGTON TRANSPORTATION PLAN FOR  
PUBLIC COMMENT**

Todd Carlson, Acting Manager, Transportation Planning Office, requested approval of the draft Washington Transportation Plan for the purpose of obtaining public comment, with the understanding that a revised draft reflecting the public comment would be presented at the January Commission meeting for approval of the final plan.

Commissioner Davis stated that the plan must have a page identifying the cost of the total transportation plan, reporting separately the expected contributions of the federal, state and local government sectors, and the private costs contributed by individuals and companies. He stated that he will not vote in favor of the Washington Transportation Plan until the total cost and its distribution is included in the plan. Commissioner Barnes stated his agreement with Commissioner Davis' position. Secretary MacDonald assured the Commission that the draft was for public comment purposes only, and that staff would address Commissioner Davis' concern. Commissioner Niva commented that she had reservations regarding a page that would reflect the total cost of the plan, because the original concept of the 2003-2023 plan was that it would be strategic in nature, rather than an all-needs list, and now that the original concept has been set aside, the total cost of the plan is too high for public acceptance. Commissioner Maher responded that while she supports the current concept, the public doesn't understand the division of cost responsibilities. The page in the plan addressing that issue will have to clarify the matter.

Commissioner Forner commented that Secretary MacDonald's presentation at the Spokane meeting pointed out that the stream of revenue for transportation is very narrow, relying primarily on the gas tax. She suggested the plan also address the revenue sources used for transportation.

Commissioner Davis also commented that the plan reflects local transit costs, which are a local voter decision, yet the plan implies that the cost of transit is a State decision. He reiterated his concern that the plan be very clear regarding who is responsible for what costs. Commissioner Kargianis suggested that the planning staff distribute to the Commissioners what the Washington Transportation Plan stated regarding this issue in the last iteration, for the Commission to review. He then called for a motion regarding the approval of the draft plan for the purpose of obtaining public comment.

***It was moved by Commissioner Barnes, and seconded by Commissioner Maher, to approve the draft Washington Transportation Plan for the purpose of obtaining public comment. The motion passed unanimously.***

Secretary MacDonald requested that Mr. Carlson meet with each Commissioner during the day to work on the chart regarding cost responsibilities and to plan the Commissioners' presentations to the regional transportation planning organizations.

## **OFFICE OF THE SECRETARY REPORTS**

Secretary MacDonald reported that as of 9:00 a.m., the North Cascades Highway was closed, due to a snowfall of fifty-one inches during the previous few days.

He commented that the Department is working hard at improving information to drivers, and asked the Commissioners to listen to the traffic advisory radios and read the variable message signs during their travels, and also visit the Department website, in order to provide feedback regarding the Department's effectiveness in this area. He stated that he is implementing a "white knuckle" approach to traffic management. Commissioner Forner stated that the communication from the Department regarding travel conditions on the passes had already improved. Commissioner Kargianis commented that accident clearance on state highways has also improved. Secretary MacDonald thanked the Commissioners for their comments, and pointed out that the Department is still working on a true program of activities in these areas.

Secretary MacDonald announced that Ann Briggs, formerly the Olympic Region's Communications Manager, would be assuming the position of Department Ombudsman half time, and would serve in the Headquarters' Communications Office half time.

He shared with the Commission his presentation to the Governor's Competitiveness Council, and informed the members that it would be on the Department's website as well. He stated that the Council's report will be very important, and may help convince the public of the need for transportation investment. He reported that the Governor and the Legislature are contacting the Department for ideas regarding how to develop support for a supplemental budget proposal. Commissioner Kargianis commended the Department for its efforts with the Competitiveness Council, commenting that transportation investment will provide the needed economic stimulus.

Secretary MacDonald informed the Commission that there is an economic stimulus proposal being considered by Congress. He asked Peter Downey, Financial Policy Manager, to report on the status of the Proposal. Mr. Downey reported that the Economic Stimulus Proposal passed the House of Representatives without including the transportation investment dollars that several members of Congress were advocating. The Senate version of the Proposal also did not have a transportation component, though Senator Byrd and others were continuing to work the issue. Commissioner Barnes expressed his concern that the transportation investment proposals were contemplating requiring State matching dollars. He stated that Congress should use the federal dollars available, with no match requirement. Commissioner Kargianis asked about the communication efforts with Congress by the states. Mr. Downey informed the Commission that the State is working with its Congressional Delegation. Secretary MacDonald recommended the Commission write a letter to the Congressional Delegation in support of a transportation investment proposal to support economic development. He asked Mr. Downey to draft the letter, in a format that would permit all of the Commissioners to sign it.

Secretary MacDonald commented that if there is a transportation investment bill from Congress, it would probably consist of a formula money increase, in which case Washington would receive approximately \$40 million. The Department has projects already identified, and could begin work immediately. He added that the Amtrak appropriation could lead to improvements for Washington, but would require about a one-third match, which isn't currently in the Department's budget.

Secretary MacDonald requested that Paula Hammond, WSDOT Chief of Staff, report on the negotiations between the Department and the Transportation Improvement Board (TIB). Ms. Hammond reported that the Department and TIB were discussing the possibility of having the Executive Director of the TIB serve as the Director of Highways & Local Programs within the Department as well, merging the two staff organizations to provide support for both the Transportation Improvement Board and the Department's grant and technical support programs.

Ms. Hammond informed the Commission that the Monthly Focus Report would be revamped in the next few months, and requested feedback from the Commissioners. Commissioner comments indicated that the members want the Report to be brief and candid, and avoid the use of transportation jargon.

Secretary MacDonald closed his report by briefly recapping the major activities absorbing his time, including: preparing for the upcoming budget discussions; working with the staff and Benchmark Committee regarding benchmarks for the Department; developing the final plan for the I-405 corridor improvements; working on a plan for the replacement of the Alaskan Way Viaduct; guiding the I-90 center-lane environmental impact statement work; and serving on the board of Sound Transit, which is currently coordinating with the Department on a number of issues, including the use of I-90, the Seattle bus tunnel, HOV project coordination and commuter rail.

### **COMMISSIONER AND COMMITTEE REPORTS**

Commissioner Maher reported that she participated in the Commission's meeting in Spokane, as well as various local area meetings regarding transportation. She also reported that she was engaging in discussions with Burlington Northern Santa Fe. She stated her understanding that as a result of her conversations, the Commission would be having a presentation by Burlington Northern Santa Fe at the December Commission Meeting, regarding how the railroad's plans will be impacting Washington State.

Commissioner Niva stated that the local meeting format was much better than the one used previously, and commended Chris Rose, Commission Administrator, and Ms. Hammond for their work on the format. She commented that it was good for the Commission to listen to the local area representatives. She reported that she attended a League of Women Voters meeting in which the point was raised that the State Constitution says that the Legislature is in charge of the state budget and taxes, not the people. She also commented that the overhead presentation prepared by Secretary MacDonald is an effective communication device with useful information. She recommended that all Commissioners use the overheads in their presentations. She reported that she attended the Freight Mobility Roundtable Meeting. She also commented on the need to reform the tax structure of Washington State, to reflect the approach to taxation used by all of the "new economy" States. Commissioner Niva also stated that the State needs an economic development plan, and that she is aware that Martha Choe, the Director of the Department of Community and Economic Development is working on a plan. She pointed out that, with regard to the investment of States in major corridor projects, that the Department has found that in each case there was clear executive leadership that promoted the project.

Commissioner Barnes commented that the local meeting at Bellingham was the first local meeting in the new format that saw a real change and improvement in the dialogue with people from the communities. He agreed with the comments regarding Secretary MacDonald's presentation, and recommended that the presentation be distributed to the Economic Development Councils and Chambers Of Commerce around the State. He also expressed concern that there are often conflicts between the Commission's meeting dates and other important transportation meetings. He asked that the Commission Office distribute the Commission meeting dates to the stakeholder organizations. Commissioner Barnes reported that he attended a rail meeting in Vancouver, which was well attended by elected officials and other community leaders. He also reported on the Focus Groups Meeting in the Vancouver area to comment on the HOV pilot program. He reported that there would be a meeting on November 20<sup>th</sup> at the Port of Longview to try to resolve the outstanding issues regarding the dredging of the Columbia River. Commissioner Kargianis asked Commissioner Barnes for his views on the upcoming AASHTO Meeting. Commissioner Barnes responded that he has found that more than one Commissioner should go to the national conferences, because of the wealth of useful information available. At least two individuals from the Commission should attend AASHTO and WASHTO.

Commissioner Davis reported on the discussions he has been having with the communities affected by the Trans-Lake Washington project. While the initial focus on achieving community consensus and identifying potential solutions without regard to their cost was essential to get the project started, the approach is now creating difficulties for arriving at a financially realistic plan. He stated that the approach created unrealistic expectations regarding the use of lids above the highway. He is working with the communities to explain what makes sense from an engineering, environmental and cost standpoint. Ms. Hammond stated that the Department should draft a policy statement regarding the use of lids, and also should learn from this experience to establish realistic expectations in advance regarding costs and the feasibility of project elements.

Commissioner Kargianis discussed with the Commission the progress being made in developing an investment plan for the I-405 corridor. He stated that the Steering Committee would adopt a plan on November 16<sup>th</sup>. He stated that the Department's planning will coordinate the elements of all of the regional corridor plans to address the capacity issues created on I-5 as a result of all of the improvements. Commissioner Davis pointed out, as an example of the coordination efforts, that the Trans-Lake Washington Project will also resolve what is commonly known as the "Mercer Mess". In response to a question from Commissioner Kargianis, Ms. Hammond explained that Senator Patty Murray has asked stakeholders to organize and come to her with a unified request for revisions to TEA 21 and for federal appropriations. The goal is to present a very strategic list of projects. Ms. Hammond promised the Commission that she would bring the lists being discussed to the Commission well in advance to obtain feedback.

Commissioner Forner reported that she had spent three weeks in Norway on vacation, and is continuing to be impressed with how well that country's transportation system works. She also informed the Commissioners that she watched the Spokane local area meeting on TVW, and was impressed with Secretary MacDonald's presentation.

The Commission then considered a draft Commission policy regarding the issuance of letters of endorsement for projects. The Commission discussed the pros and cons of such a policy, and directed that the staff revise the draft to reflect that the Commission will not write letters of endorsement, but will only write letters indicating that a project is worthy of consideration. The revisions were made. Commissioner Kargianis then called for a motion to approve the Policy as rewritten.

***It was moved by Commissioner Niva, and seconded by Commissioner Barnes, to approve the policy regarding Commission Project Recognition Letters. Commissioners in agreement were Aubrey Davis, George Kargianis, and A. Michèle Maher. Commissioner Elmira Forner opposed the motion.***

#### **APPROVAL OF 2002 AGENCY REQUEST LEGISLATION**

Don Griffith, Director, Legislative and Strategic Management Relations, requested approval of agency request legislation to permit the transfer of environmental mitigation sites, Z-0949.1.

***It was moved by Commissioner Davis and seconded by Commissioner Niva to approve the submittal of agency request legislation relating to the transfer of environmental mitigation sites, reflected in the Code Revisor's draft Z-0949.1. The motion was approved unanimously.***

#### **LUNCH MEETING WITH THE OFFICE OF FINANCIAL MANAGEMENT AND THE GOVERNOR'S EXECUTIVE POLICY STAFF**

The Commission and the representatives of the Governor's Executive Policy Office and the Office of Financial Management discussed the status of General Fund revenues, the Department's proposal for a 2002 supplemental budget, the pending transportation revenue forecast, the Congressional discussions regarding economic stimulus investment plans, the impact Initiative 747 might have on transportation investment partnerships with local governments, and Boeing's business plans.

## **URBAN CORRIDORS PROJECT FINANCING STRATEGIES**

John Okamoto, Assistant Secretary for Northwest Washington, advised the Commission that financing all of the urban corridor projects being developed for investment during the next ten years would be a significant challenge. All of the transportation financing proposals show a large percentage of the necessary funding for these projects as not being addressed. In light of that fact, all funding mechanisms must be examined, including tolls. While specific financing plans for the large projects have not been fully developed, enough is not known about the projects to be able to do so. Mr. Okamoto discussed briefly the background of recent projects and policy proposals that might prove relevant to the development of financing plans, including the Commission's existing policies, the recommendations of the Blue Ribbon Commission on Transportation, the proposals of the Washington Transportation Alliance, the Puget Sound Regional Council's Pricing Task Force recommendations, and the experience of the Department with the Tacoma Narrows Bridge project. Mr. Okamoto proposed that as part of the 2003-2005 budget development process, financing plans for the Department's major projects be developed. The plans would identify all funding sources, including user fees, develop specific mechanisms for raising revenue from the sources, model out the range of revenue generating capacity for each source, determine the feasibility and authority required for each funding source, and finally, propose a specific financing approach for each project.

Amy Arnis, Financial Planning Manager, then provided an overview of the Commission's current policies and recommendations of the Blue Ribbon Commission on Transportation, regarding financing, tolling and pricing. She explained that during the 1990's, the Commission participated in several policy development efforts that included the concepts of tolling and congestion pricing. She described the policies developed supporting the use of tolls and congestion pricing as a tool for financing projects and managing the use of transportation facilities. She also described Recommendation #17 of the Blue Ribbon Commission on Transportation, which included local option taxes and transportation pricing mechanisms among the recommended sources of revenue. Ms. Arnis then briefed the Commission regarding the current statutory authority for the Commission regarding toll facilities, and the federal laws and regulations that govern the State's ability to place tolls on facilities built with federal monies.

Dave Dye, Urban Corridors Manager, then discussed the specific financing plan development approach for the major projects. He indicated that each of the urban corridor projects would have a financing plan. Some of the projects to be included would be I-405, SR 520, SR 509, I-90 Snoqualmie Pass, SR 167 Port of Tacoma Access. He stated that the Alaskan Way Viaduct Project would be the first to get a financing plan underway. He commented that many policy issues would develop during the development of the financing plans, and these issues would be brought to the Commission for discussion during the budget development process. The process would include

identifying and assessing the feasibility of all potential revenue sources, conducting high-level toll feasibility analysis and study other user fee options, developing a spreadsheet-based financing model for considering “what if” scenarios, and a study of best practices for toll collection and vehicle identification technologies. The work described would be completed in time for consideration during the March 2002 Commission Budget Workshop, and would be followed by more detailed work to develop a corridor-by-corridor financing plan with input from the Commission, the Governor and the Legislature.

Secretary MacDonald stated that the Commission and Department should be ready for both the 2002 legislative discussion and the 2003-2005 biennial budget development processes, using a common template for the financing plans. Commissioner Barnes expressed his concern that the financing strategies should be applicable to and developed for the entire State, not just the projects in the Central Puget Sound. Secretary MacDonald responded that the Alaskan Way Viaduct project is being used as the mechanism to develop the models and the structure of corridor financing plans because of the urgency of the project and the fact that it is moving faster than the other urban corridor projects, but he assured the Commission that each project would be able to use the tools developed. Commission Kargianis commented that each corridor should develop as rapidly as it is able, including the development of a means of financing the corridor. Mr. Okamoto assured Commissioner Barnes that the tools would be available for all projects, but that each project would use the tools to develop a tailor-made approach. Commissioner Barnes reiterated that all WSDOT regions should be developing financing plans for their projects, not just the Northwest Region. Commission Davis added that the technology selected for toll and pricing elements of the financing strategies must be compatible across all of the corridors, so that drivers do not need to use multiple transponders. He urged the Department to think ahead. Commissioner Forner asked if the financing strategies would affect the existing Special Category C projects. Mr. Okamoto responded that they would not, but that the funding stream for the Special Category C projects was close to being exhausted. Commissioner Maher stated that she supports the concept of developing financing strategies for each of the corridors, but that it should be pursued statewide, as indicated by Commissioner Barnes. Commissioner Niva commented that there are many corridor projects all across the State, in various stages of development that would need to use the approach over time. Commissioner Kargianis agreed, stating that nothing precludes future projects from being developed and financed according to these strategies.

#### **REGIONAL TRANSPORTATION PLANNING ORGANIZATION PROGRAM EFFECTIVENESS**

Mike Partridge, Regional Projects Manager, briefed the Commission regarding a proposed review of the regulations, requirements and guidebooks for the regional transportation planning organizations for the purpose of developing recommendations for improving the performance of the RTPO program. Mr. Partridge discussed each of the steps in the proposed work plan, and asked for the Commission’s comments.



Commissioner Maher stated that she is concerned about the lack of participation of jurisdictions and other transportation interests in some of the regional transportation planning organizations. She asked how the staff intended to strengthen the program. Mr. Partridge responded that an intensive review of the unified work programs would help identify areas that need strengthening. Todd Carlson, Acting Manager, Transportation Planning Office, responded that the review would also study whether the current structure of the program works for the rural regional transportation planning organizations in Eastern Washington. He pointed out, in response to a question from Commissioner Niva, that while the Department administers the State grant program for the regional transportation planning organizations, the authority of the Department to impose program changes is limited. The cooperation of the regional transportation planning organizations will be needed. If the proposed changes are significant, they may require legislation. Commissioner Forner commented that the regional transportation planning organizations were established as part of the Growth Management Act implementation. While the GMA plans and the Washington Transportation Plan (WTP) have been adopted, there is much work remaining for the regional organizations. The success of the implementation of GMA and the WTP are dependent on strong regional transportation planning organizations. Commissioner Davis expressed his skepticism regarding whether the program review would result in improvements, or if it would be seen as State interference in regional issues. He questioned whether resources should be expended on the project. Mr. Partridge responded that the regional organizations would be involved in establishing the criteria used to judge the condition of the program and the proposed improvements. Mr. Carlson added that the scope is limited, since it will not involve the metropolitan planning organizations, which are federally funded, but only the regional transportation planning organizations, which are State funded.

### **AVIATION DIVISION REPORT**

Ms. Hammond reported on the recruitment of the Aviation Director. She listed the members of the selection panel, representing all of the interests affected by aviation. The Department has received quite a few applications for the position.

She then briefed the Commission on a study conducted by the Joint Legislative Audit and Review Committee (JLARC) that was called for by the Legislature, to determine whether or not the Aviation Division should be kept within the Department or be a freestanding agency. Oregon separated its aviation division from the Department of Transportation, and has found it had both advantages and disadvantages. Ms. Hammond informed the Commission that the JLARC will begin the study in January, and will complete it by the conclusion of 2002. She indicated that she would arrange a meeting between the Commission and the JLARC staff.

Judy Giniger, Acting Director, Aviation, briefed the Commission regarding the activities of the Division during the past few months. She pointed out the briefing materials provided in the agenda packet, as well as a copy of the presentation given at the

recent aviation conference. She informed the Commission that the Department is moving forward to fill the position of Aviation Program Manager, which is responsible for the airport grant program. Ms. Giniger described the impact of the September 11<sup>th</sup> attack on aviation generally, and reminded the Commission that it had sent a letter to the Federal Aviation Administration in support of the aviation industry. She indicated that most of the flight restrictions have been eliminated at this point. The Division surveyed the airports to obtain information for an impact analysis. The industry is interested in the Department serving as an advocate for the aviation community with the federal government. Ms. Giniger pointed out that revenue shortfalls are hitting the Division hard because of the reduced amount of fuel sold. She is monitoring the situation closely, and keeping the industry informed. Ms. Giniger reported on the activities related to the Federal Aviation Administration's "AIR-21" program, which is the federal program related to aviation investment. Funding for the rehabilitation of pavements has been set aside for the first time. The Aviation Division is working with the airports to explain the new program and alleviate the fears of airports that they may lose control of their activities by accepting federal funds.

Ms. Giniger briefed the Commission regarding the Local Airport Aid Grant Program, and commented that the level of funding was the highest ever. The Division is improving the information available to the airports, and taking steps to improve the management of the funds and prioritization of projects. The airport aid program is undergoing considerable change. Ms. Giniger reviewed the presentation she gave at the aviation conference in October, which explained those changes to the aviation community. The changes came about as a result of a management audit, which provided recommendations regarding selection criteria, documentation, tracking and reporting methods, grant allocation methods, inspections and compliance reporting, and project closure procedures. The Division is now utilizing professional engineers for paving projects and other improvements requiring professional engineering services. The Division is also following all contracting requirements established by the law and regulations. The Division is seeking to make sure that projects are cost-effective and that all proper procedures are followed. Inspections are being conducted. Guidelines for applicants will be revised and distributed to the airports. Standards and specifications for airport construction will also be revised so that they are current. The Department is seeking authority to be the grant agency for the Federal AIR-21 Airport Preservation Program.

Ms. Hammond and Ms. Giniger indicated that the Commission would receive further briefings in the spring regarding the improvements in the Aviation Program.

## **EXECUTIVE SESSION**

Commissioner Kargianis recessed the open meeting in order to conduct an executive session to discuss with legal counsel representing the Agency litigation or potential litigation to which the Commission or Department is, or is likely to become, a party.

## **TRANSPORTATION AND ECONOMIC DEVELOPMENT**

Ms. Hammond briefed the Commission regarding the policies adopted by the Commission during the past several years regarding the role of transportation in support of economic development. She also discussed the ongoing coordination between the Department of Transportation and the Office of Trade and Economic Development. The two agencies have been working together to determine how to measure the benefits of transportation investment to the economy, and how to improve the current investment programs. She reminded the Commission that it had placed into its work plan for the year a project to develop policies and programs to strengthen the Department's economic development efforts. She introduced Martha Choe, Director, Office of Trade and Economic Development.

Ms. Choe briefly described the Office of Trade and Economic Development, and then discussed the role of the State in economic development. The Office worked with other Agencies to develop a Statewide Strategic Plan for Economic Vitality. The plan provides a broad framework for the State's public sector's involvement in economic development. The goal of the State is to retain existing businesses and promote their growth, as well as, to attract new businesses. She stated that transportation, utilities and telecommunications are recognized in the plan as basic support structures whose presence is essential to the function of the economy. In discussing transportation's role, Ms. Choe pointed out that transportation is the number one economic development issue in the State, given the level of traffic congestion. She described the specific action strategies related to transportation and the role of the various State agencies in accomplishing the strategies. The strategies focus on reducing congestion, improving inter-modal shipment of goods, strengthening the tie between transportation and land use, and identifying and securing stable funding streams for transportation investment. Ms. Choe also reported on the work of the Washington Competitiveness Council, which was formed by Governor Locke in July 2001 to address business climate needs. The Council is working in four areas: human capital and innovation, regulation and permitting, physical infrastructure (including transportation), and taxes and fees. Ms. Choe also stated that the Office manages a "Certified Communities Initiative", which focuses a community's planning and investment to become "business ready". Ms. Choe stated that the Department and the

Office of Trade and Economic Development have a long-standing partnership in tourism and in Community Economic Revitalization Board projects. She concluded her remarks by offering the Office's continued assistance and cooperation as the Commission and Department works on improving transportation's support for the economy.

Elizabeth Robbins, Director, Planning, Advocacy, and Initiatives, briefed the Commission regarding its existing policies, and discussed examples of how transportation investment promotes economic development. She reported that Commissioner Marr had appointed a Committee on Economic Development and Transportation, consisting of Commissioner Maher as Chair, and Commissioners Forner and Kargianis as Members.

Commissioner Kargianis recessed the Commission at 5:00 p.m. on November 14, 2001, to be reconvened the following day.

### **2003-05 BIENNIAL BUDGET DEVELOPMENT PROCESS**

Commissioner Kargianis reconvened the Commission meeting at 8:00 a.m. on November 15, 2001.

Helga Morgenstern, Assistant Secretary for Finance and Support, indicated that the staff would present an outline of the budget work tasks and timelines, and also present a revised budget format. She reminded the Commission that the work plan would be revised as events warranted.

Bill Ford, WSDOT Budget Chief, presented the detailed work plan for the development of the budget and reviewed the activities of each month's meetings with the Commission. He pointed out that the decisions made during the 2002 legislative session could impact the process. The timeline is designed to make sure the Commission completes its work by the deadline of September 1, 2002, for submitting a budget proposal to the Office of Financial Management.

Mr. Ford presented a draft outline of the operating budget and a draft outline of the capital budget, to show the Commission the approach would be used for displaying the budget decisions. He indicated that the Department would be prepared at the December meeting to provide a more complete proposed outline for consideration by the Commission.

### **\$100 MILLION REDUCTION SCENARIOS**

Commissioner Kargianis requested Commissioner comments regarding a request from the Office of Financial Management for scenarios regarding the impact of a proposed \$100 million transportation budget reduction, given the revenue shortfall in the General Fund. Commissioner Kargianis opened the comment period by stating that he does not support the concept of removing \$100 million from the transportation budget. He stated

his belief that transportation investment is vital for immediate economic stimulus and long-term economic growth. Commissioner Niva stated her agreement with Commissioner Kargianis' position, and recommended that the Commission communicate once more to the Governor the Commission's recommendation for passage of the proposed 2002 Supplemental Budget. Commissioner Davis commented that he had originally disagreed with the idea of declining to offer reduction scenarios to the Office of Financial Management, but changed his mind because the Office of Financial Management had stated that it was already drawing conclusions regarding what reduction to propose. He stated that he also believes that the investment in transportation proposed by the 2002 Supplemental Budget is needed, and the Commission should continue to urge its approval. Commissioner Barnes stated that he does not support a reduction in the Department's budget, pointing out that for the past few years every editorial board, business and labor organization and community meeting has emphasized the need for transportation investment. Commissioner Maher stated that the Commission should take a leadership role and support economic stimulus efforts by Congress and the State Legislature.

***It was moved by Commissioner Niva, and seconded by Commissioner Barnes, to approve Resolution 623, urging the Governor to retain the 2001-2003 Current Law Budget and to propose the Commission's 2002 Supplemental Budget for the Department of Transportation. The motion passed with a favorable vote from all commissioners present.***

Commissioner Marr called in to the Commission meeting subsequent to the vote on the resolution, and expressed his concerns regarding not offering a preferred scenario in event a reduction in the budget is required. He stated his belief that the Commission should be willing to define the core transportation services that must be provided by the Department, compared to other important services that cannot be considered "core".

The Commission meeting adjourned at 9:30 a.m. on November 15, 2001.